

NEW NUMBER  
810

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD\*  
CARL C. DAVIS\*  
CHARLES T. KAPPLER  
JOHN H. DOYLE\*  
GEORGE JOHN KETO\*  
MILTON C. GRACE\*  
JAMES C. MARTIN, JR.\*

\*NOT A MEMBER OF D.C. BAR  
\*ALSO ADMITTED IN NEW YORK  
\*ALSO ADMITTED IN OHIO  
\*ALSO ADMITTED IN MARYLAND

LAW OFFICES  
ALVORD AND ALVORD

200 WORLD CENTER BUILDING  
918 SIXTEENTH STREET, N.W.  
WASHINGTON, D.C.

20006-2973

RECORDATION NO. 14755 Filed 1425

JUL 26 1985 -2 35 PM

INTERSTATE COMMERCE COMMISSION

July 25, 1985

OF COUNSEL  
JESS LARSON  
JOHN L. INGOLDSBY  
URBAN A. LESTER

CABLE ADDRESS  
"ALVORD"

TELEPHONE  
AREA CODE 202  
393-2266

TELEX  
440367 A AND A

BY HAND DELIVERY

Mr. James H. Bayne  
Secretary  
Interstate Commerce Commission  
Washington, D.C.

Dear Mr. Bayne:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are two copies of a Locomotive Lease (No. 168) dated April 24, 1985, a "primary document" as defined in the Commission's Rules for the Recordation of Documents.

A description of the railroad equipment covered by the enclosed document is:

One (1) EMD SW-9, 1200 horsepower locomotive  
bearing Serial Number 4098-15.

The names and addresses of the parties to the enclosed document are:

Lessor: Inman Service Company, Inc.  
115 North Main  
Baytown, Texas 77520

Lessee: Gulf Oil Products Co.  
I Highway 10  
Baytown, Texas 77521

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 200 World Center Building, 918 16th Street, N.W., Washington, D.C., 20006.

11/26/85  
10.00  
CC Washington, D.C.

Loco  
#168


Mr. James H. Bayne  
Page Two  
July 25, 1985

Also enclosed is a check in the amount of \$10.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

A short summary of the enclosed primary document to appear in the Commission's Index is:

Locomotive Lease (No. 168) dated April 24, 1985, between Inman Service Company, Inc., Lessor, and Gulf Oil Products, Inc., Lessee, covering one EMD SW-9, 1200 horsepower locomotive bearing Serial Number 4098-15.

Very truly yours,



Charles T. Kappler  
Attorney for the purpose of  
this filing for:

Inman Service Company, Inc.

CTK/mlt  
Enclosures



Inman Service Company Inc.

Diesel-Electric

LOCOMOTIVES

LOCOMOTIVE LEASE

INTERSTATE COMMERCE COMMISSION

Lease No. 168

April 24, 1985

Date

LESSOR: INMAN SERVICE COMPANY, INC.  
115 North Main  
Baytown, Texas 77520  
(713) 427-6677

LESSEE: GULF OIL PRODUCTS CO.  
I Hwy. 10  
Baytown, Texas 77521  
(713) 420-9500

LOCOMOTIVE DESCRIPTION: One (1) EMD SW-9, 1200 horsepower

SERIAL NUMBER: 4098-15

LEASED EQUIPMENT LOCATION: Cedar Bayou Plant, Baytown, Texas 77521

TERM OF LEASE: Twelve (12) months ending April 30, 1986.

RENTAL CHARGES: \$4,600.00 per month each, including maintenance payment will be due within (10) ten days of invoice receipt.

1. LEASE. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the above described Locomotive(s) (all locomotives are herein-after referred to as "Leased Equipment"), pursuant to the terms contained herein for the consideration set out above. All payments to Lessor shall be made at the above address.

2. OPERATORS. Lessee shall supply its own operators for the Leased Equipment and Lessee agrees all operators using such Leased Equipment shall be competent and qualified.

3. DELIVERY AND ACCEPTANCE. All Leased Equipment shall be delivered to the Leased Equipment Location as set out above. Such Leased Equipment shall not be removed from such location except with written consent from Lessor. By accepting delivery of the Leased Equipment, Lessee acknowledges that said Leased Equipment is in good condition.

4. LESSOR'S MAINTENANCE DUTIES. Lessor agrees to provide maintenance service and keep the Leased Equipment in good working condition. Additionally, Lessor shall provide a Monthly or Bi-Monthly maintenance inspection at periods deemed most appropriate by Lessor and Lessee.

5. LESSEE'S DUTIES OF CARE AND MAINTENANCE. Lessee shall be obligated to exercise a reasonable degree of care in its use of the Leased Equipment and to perform the daily fluid and maintenance checklist pursuant to the guidelines that may be established from time-to-time by Lessor. Lessee shall not allow the vehicle to be used in an unlawful manner, not in any manner that would result in or cause the suspension or cancellation of insurance coverage on the Leased Equipment.

Phone: Office: 713/427-6677 / 115 N. Main / Baytown, Texas 77520

6. LESSOR'S INSURANCE COVERAGE. Lessor agrees to provide the insurance coverages shown in Exhibit "A" attached hereto and incorporated herein.

7. LESSEE'S INSURANCE COVERAGE. Lessee agrees to provide the insurance coverages shown in Exhibit "A" attached hereto and incorporated herein.

8. LESSEE'S INDEMNITY. The Lessee further agrees, as part consideration of this Lease, to forever indemnify and save harmless the Lessee, and its successors and assigns, from and against any and all loss, damage, injury, death, claims, demands and liability of every nature arising directly or indirectly in connection with the use or handling of said Locomotive by the Lessee and its employees.

9. LESSOR'S INDEMNITY. The Lessor further agrees, as part consideration of this Lease, to forever indemnify and save harmless the Lessee, and its successors and assigns, from and against any and all loss, damage, injury, death, claims, demands and liability in connection with employees and agents of Lessor in their activities in the plant where the equipment is kept. Lessor further indemnifies and holds Lessee harmless from and against any and all loss in the event any of the Leased Equipment which may not be wholly owned is repossessed or foreclosed upon.

10. INSPECTION. Lessor shall have the right to inspect said Locomotive at any time on reasonable notice to Lessee.

11. FUELS AND OTHER FLUIDS. This lease carries no obligation on the part of Lessor to furnish any fuel, water, filters or other thing required for the operation of said Locomotive, or any of it, by Lessee.

12. ACCIDENTS AND DAMAGE. The Lessee shall notify the Lessor of each accident or other occurrence which causes damage to each vehicle within (72) hours thereafter, give all information and cooperation which the Lessor may reasonably request in connection therewith, promptly advise the Lessor of all claims and demands relating to any vehicle or the use, operation, or possession thereof, and aid in the investigation and defense of all such claims arising out of each accident or occurrence.

13. TITLE TO LEASED EQUIPMENT. Title to all Leased Equipment shall be and remain in the Lessor and the Lessee shall acquire no right, title or interest except the leasehold interest created herein. Lessee agrees to execute a UCC-1 Financing Statement evidencing this Lease Agreement.

14. RISK OF LOSS. Lessee shall bear all risk of loss, damage, theft and destruction, of the Leased Equipment while in the control and possession of said Lessee hereunder. At the end of the lease term, possession of the Leased Equipment shall be returned to Lessor at the Leased Equipment location in good condition, normal wear accepted. Any repairs necessitated by damage(s) caused by Lessee; and/or peculiar chemical reaction causing contamination/deterioration (necessitating replacement of parts/components and resultant repairs in order to restore locomotive unit, normal wear accepted, to compliance with AAR and FRA Regulations\*, at the time the unit was placed in service, will be so invoiced.

15. TAXES. Lessor shall be responsible for all personal property taxes that may accrue in connection with the Leased Equipment. Any other taxes, license charges or regulation fees levied against the Leased Equipment or its use, except taxes based on Lessor's Net Income, shall be paid by Lessee.

\* REFER ADDENDUM PAGE ONE (1)

16. POSSESSION AFTER TERM. Any holding over at the end of the term thereof without entering into a new lease shall create a month-to-month lease cancellable by either party on thirty (30) days notice. The rent during any such holdover period shall continue at the above stated monthly charges.

17. ALTERATIONS AND REPAIRS. Without the prior written consent of Lessor, the Lessee shall not make any alterations, addition or improvements to the Leased Equipment. All approved additions and improvements shall belong to and become the property of Lessor on termination of this lease. Lessee, except for the daily maintenance and fuel checks set out above, shall not allow the Leased Equipment to be serviced, maintained or repaired by any company other than Lessor.

18. BREAKDOWN. The Lessee has selected the Leased Equipment for its own operation. The Lessor shall not be responsible for any loss of time or any other loss resulting from any breakdown or other failure of the Leased Equipment. The Lessor will repair any inoperative Leased Equipment within a reasonable time of being notified of the breakdown. Lessee shall be entitled to a prorated abatement of rent for any downtime as a result of breakdown. Such abatement shall commence when Lessee notifies Lessor of the breakdown. Lessor will use Lessor's best efforts to supply an alternate Locomotive at Lessee's plant.

19. NO WARRANTY. THE LESSOR MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE.

20. TERMINATION UPON DEFAULT. This Lease may be terminated by the Lessor prior to the expiration date set forth herein on the (10) days' written notice delivered or mailed to the Lessee at its address as set forth above in the event that the Lessee:

- (a) Fails to pay the rental charges within the time specified herein;
- (b) Makes any breach or default under this Agreement.
- (c) Discontinues operation, abandons, or permits Leased Equipment to be subjected to unreasonable hazards or risks.

Such termination of the Lease by the Lessor or the taking or recovery of the Leased Equipment shall not deprive the Lessor of any of its rights, remedies, or actions against the Lessee for rents or damages or affect the Lessee's obligation to make payments provided hereunder. On termination of this Lease for whatever reason, the Lessee agrees that the Lessor may immediately take possession of the Leased Equipment covered hereby and remove it from the Lessee's premises without the necessity of resorting to any legal process, or, at the Lessor's option. This Lease may be terminated by the Lessee prior to the expiration date set forth herein on ten (10) days' written notice delivered or mailed to the Lessor at its address set forth above in the event the Lessor makes any breach or default under this Agreement (including, without limitation, any breach of Lessor's obligation to provide maintenance and to keep the Leased Equipment in good working condition), unless any such breach or default is cured within said ten (10) day period. Upon any such termination by Lessee, (i) the rent shall cease as of the effective date of termination and Lessee shall be relieved of all its

obligations under this Agreement and (ii) Lessee, shall, at Lessee's premises, make the Leased Equipment available for Lessor's removal. Any such termination of the Lease by Lessee shall not deprive Lessee of any of its rights, remedies or actions against the Lessor for damages or other legal redress.

21. USE OF MAINTENANCE FACILITIES. Lessee hereby consents to Lessor's use of Lessee's Locomotive maintenance facilities and fluid containers for Lessor's performance of its maintenance duties. Lessor and its employees shall, during its use, keep all of Lessee's maintenance facilities free of debris and fluids.

22. Lessee hereby agrees and consents to the use of said Locomotive No. 168 on its plant facilities and will not operate, sublease or permit the usage of said Locomotive outside the GULF OIL PRODUCTS CO. premises without the expressed written consent of authorized personnel in ISC management.

23. RADIO INSTALLATION. Lessor hereby consents to the installation of two way radios on the Leased Equipment and such radios shall remain Lessee's property and shall be returned to Lessee upon termination of this Lease. Lessee shall not damage the Leased Equipment in the installation or removal of the radios.

24. OPTION TO RENEW WITH FIXED ESCALATION IN LEASE RATES. Lessee shall have the option to renew this Lease for two (2) twelve (12) month periods subsequent to the termination date specified herein. The Lease rate, including maintenance for the first of the two (2) optional twelve (12) month periods (May 1, 1986 through April 30, 1987) to be escalated five (5%) percent to four thousand eight hundred thirty dollars (\$4,830.00) per month and an additional five (5%) percent or five thousand seventy-one and one-half dollars (\$5,071.50) per month for the second twelve (12) month optional period (May 1, 1987 through April 30, 1988).

25. MISCELLANEOUS.

(a) Time is of the essence in this Agreement.

(b) The Lessee shall not, in whole or in part, assign or sublet this lease, or any of said Locomotive, or any rights hereunder, without the written consent of Lessor. No rights of Lessee under this lease shall pass to any successor or assignee of Lessee by operation of Law without the written consent of Lessor.

(c) This lease constitutes the entire and final Agreement between the parties and may not be amended except by agreement in writing.

LESSOR: By: Vince Inman  
INMAN SERVICE COMPANY, INC.

TD Harrison  
LESSEE:  
GULF OIL PRODUCTS CO.

By: R.D. Harrison

ADDENDUM TO PAGE TWO (2)

The following is a list of AAR and FRA Requirements ISC is required to meet in order for our switch engines to be transported on Line-Haul Carriers rails.

GULF OIL PRODUCTS CO. AAR AND FRA REQUIREMENTS

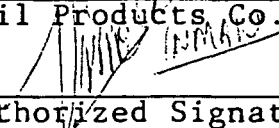
ADDENDA - \*Referred to on page two (2) item (14) of the Gulf Oil Products Co. Contract.

All window glass in unit  
Front and Rear headlights must be working  
The window wiper must be operating if (installed)  
Horn must be operable  
Emergency brake system functional according to FRA safety standards  
Brake rigging cannot be bent or damaged  
Train line hoses and angle cock-valve must be functioning  
Pilot Plates (front and rear) intact  
All hand rails are required  
Coupling levers must be functioning  
Wheels must be at least 3/4" thick  
Flanges at least 1" thick  
Knuckle on front and rear coupling functioning properly  
Limit blocks must prevent locomotive frame from touching truck assembly  
Broken springs in truck assembly are not allowed  
All steps must be complete  
Permanent lids on battery boxes required

I hereby certify the above stated are those Requirements as specified in the translation of the terms "FRA" "AAR" Requirements listed in item (14) of the Gulf Oil Products Co. Contract.

Corporate Seal -

  
\_\_\_\_\_  
Gulf Oil Products Co.-R.D. Harrison

  
\_\_\_\_\_  
ISC Authorized Signature-Vince Inman



## Gulf Oil Corporation

DATE DELIVERY REQUIRED: 5/1/85 or sooner

BILL TO: GULF OIL CORPORATION  
CEDAR BAYOU PLANT  
P.O. BOX 509  
BAYTOWN, TEXAS 77520

DATE April 24, 198

PURCHASE ORDER  
No. CB- 90046

RELEASE NO.

VIA:

SHIP TO: GULF OIL CORPORATION  
CEDAR BAYOU PLANT-STORES WAREHOUSE  
INTERSTATE 10 EAST  
BAYTOWN, TEXAS 77521Imman Service Co., Inc.  
115 N. Main  
Baytown, Texas 77520  
Attn: Jim CountissF.O.B. Our Plant  
TERMS: Net 10 Days  
RELEASED BY: JDC:dac  
PAGE NO. 1GULF STORES  
ITEM NUMBER

QUANTITY

U/M

QUANTITY  
RECEIVED

DESCRIPTION

EXTENDED  
PRICETo cover the lease for a twelve (12) month  
period ending April 30, 1986:

One (1) EMD 1200 HP Locomotive

Lease will include maintenance service and  
monthly inspection of leased equipment to  
keep in good working condition. Lease  
will be in accordance with the terms and  
conditions of Imman Service Co. Locomotive  
Lease No. 168, copy attached.

Monthly Rental and Maintenance

\$4600.00

Exhibit I Attached

DO NOT INVOICE TEXAS STATE OR LOCAL SALES TAX. GULF OIL CORPORATION HOLDS TEXAS DIRECT PAYMENT NO. 3-00001-7731-8

DELIVER TO:

ACCOUNT:

PROCEED WITH ORDER. PLEASE ACKNOWLEDGE PRICE AND DELIVERY FOR ACCOUNTING PURPOSES.

IMPORTANT NOTICE TO SELLER: ACCEPTANCE IS EXPRESSLY LIMITED TO THE TERMS  
AND CONDITIONS HEREIN, INCLUDING THOSE ON REVERSE SIDE. ANY ADDITIONAL OR  
DIFFERENT TERMS AND CONDITIONS IN YOUR ACCEPTANCE SHALL BE VOID UNLESS  
WRITTEN AGREEMENT THERETO IS DELIVERED BY US TO YOU.NOTE: All shipments must be clearly marked with  
Gulf Purchase Order Number and, if applicable,  
Release Number.

BY:

J. D. Crawford

ORDER NO. CB- 90046

REL. NO.

GULF OIL PRODUCTS COMPANY  
A DIVISION OF GULF OIL CORPORATION

ORIGINAL



# CLAUSE I

## AFFIRMATIVE ACTION OBLIGATIONS OF CONTRACTORS AND SUBCONTRACTORS FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA.

(This clause is applicable to all contracts, subcontracts, and purchase orders of \$10,000 or more.)

### PART A

(a) The contractor will not discriminate against any employee or applicant for employment because he or she is a disabled veteran or veteran of the Vietnam Era in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled veterans and veterans of the Vietnam Era without discrimination based upon their disability or veterans' status in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The contractor agrees that all suitable employment openings of the contractor which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment of the contractor other than the one wherein the contract is being performed but excluding those of independently operated corporate affiliates, shall be listed at an appropriate local office of the State employment service system wherein the opening occurs. The contractor further agrees to provide such reports to such local office regarding employment openings and hires as may be required.

(c) Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment source or effort and shall involve the normal obligations which attach to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. The listing of employment openings does not require the hiring of any particular job applicant or from any particular group of job applicants, and nothing herein is intended to relieve the contractor from any requirements in Executive Orders or regulations regarding nondiscrimination in employment.

(d) The reports required by paragraph (b) of this clause shall include but not be limited to, periodic reports which shall be filed at least quarterly with the appropriate local office or, where the contractor has more than one hiring location in a State, with the central office of that State employment service. Such reports shall indicate for each hiring location (1) the number of individuals hired during the reporting period, (2) the number of nondisabled veterans of the Vietnam Era hired, (3) the number of disabled veterans of the Vietnam Era hired, and (4) the total number of disabled veterans hired. The reports should include covered veterans hired for on-the-job training under 38 U.S.C. 1787. The contractor shall submit a report within 30 days after the end of each reporting period wherein any performance is made on this contract identifying data for each hiring location. The contractor shall maintain at each hiring location copies of the reports submitted until the expiration of one year after final payment under the contract, during which time these reports and related documentation shall be made available, upon request, for examination by any authorized representatives of the contracting officer or of the Secretary of Labor. Documentation would include personnel records respecting job openings, recruitment and placement.

(e) Whenever the contractor becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each State where it has establishments of the name and location of each hiring location in the State. As long as the contractor is contractually bound to these provisions and has so advised the State system, there is no need to advise the State system of subsequent contracts. The contractor may advise the State system when it is no longer bound by this contract clause.

(f) This clause does not apply to the listing of employment openings which occur and are filled outside of the 50 States, the District of Columbia, Puerto Rico, Guam and the Virgin Islands.

(g) The provisions of paragraphs (b), (c), (d) and (e) of this clause do not apply to openings which the contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

(h) As used in this clause:

(1) "All suitable employment openings" includes, but is not limited to, openings which occur in the following job categories: pro-

duction and nonproduction; plant and office; laborers and mechanics; supervisory and nonsupervisory; technical; and executive, administrative, and professional openings as are compensated on a salary basis of less than \$25,000 per year. This term includes full-time employment, temporary employment of more than 3 days' duration, and part-time employment. It does not include openings which the contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement nor openings in an educational institution which are restricted to students of that institution. Under the most compelling circumstances an employment opening may not be suitable for listing, including such situations where the needs of the Government cannot reasonably be otherwise supplied, where listing would be contrary to national security, or where the requirement of listing would otherwise not be for the best interest of the Government.

(2) "Appropriate office of the State employment service system" means the local office of the Federal-State national system of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.

(3) "Openings which the contractor proposes to fill from within his own organization" means employment openings for which no consideration will be given to persons outside the contractor's organization (including any affiliates, subsidiaries, and the parent companies) and includes any openings which the contractor proposes to fill from regularly established "recall" lists.

(4) "Openings which the contractor proposes to fill pursuant to a customary and traditional employer-union hiring arrangement" means employment openings which the contractor proposes to fill from union halls, which is part of the customary and traditional hiring relationship which exists between the contractor and representatives of his employees.

(i) The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans Readjustment Assistance Act of 1974, P.L. 93-508.

(j) In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans Readjustment Assistance Act of 1974, P.L. 93-508.

(k) The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notice shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam Era for employment, and the rights of applicants and employees.

(l) The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of the Vietnam Era Veterans Readjustment Assistance Act, and is committed to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam Era.

(m) The contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

### PART B

Within 120 days of the commencement of a non-exempt contract, subcontract, or purchase order of \$50,000 or more, the contractor with 50 or more employees must prepare and maintain an affirmative action program at each establishment setting forth the contractor's policies, practices and procedures relevant to the employment of the disabled veteran and the veteran of the Vietnam Era. The contractor agrees annually to review and update the affirmative action program and communicate all significant changes to employees and applicants for employment. The contractor further agrees to invite all applicants and present employees who wish to benefit under the contractor's affirmative action program to identify themselves to the contractor.

(Continued on Reverse Side)

## CLAUSE II

### EXECUTIVE ORDER 11625—UTILIZATION OF MINORITY BUSINESS ENTERPRISES

(This clause is applicable to all contracts, subcontracts, and purchase orders of \$10,000 or more.)

(a) It is the policy of the Government that minority business enterprises shall have the maximum practicable opportunity to participate in the performance of Government contracts.

(b) The contractor agrees to use his best efforts to carry out this policy in the award of his subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, the term "minority business enterprise" means a business at least 50

percent of which is owned by minority group members or, in case of publicly owned businesses, at least 51 percent of the stock of which is owned by minority group members. For the purposes of this definition, minority group members are Negroes, Spanish-speaking American persons, American-Orientals, American-Indians, American-Eskimos, and American-Aleuts. Contractors may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

## CLAUSE III

### EXECUTIVE ORDER 11625—MINORITY BUSINESS ENTERPRISES SUBCONTRACTING PROGRAM

(This clause is applicable to all contracts, subcontracts, and purchase orders of \$500,000 or more.)

(a) The contractor agrees to establish and conduct a program which will enable minority business enterprises (as defined in the clause entitled "Utilization of Minority Business Enterprises") to be considered fairly as subcontractors and suppliers under this contract. In this connection, the contractor shall—

(1) Designate a liaison officer who will administer the contractor's minority business enterprises program.

(2) Provide adequate and timely consideration of the potentialities of known minority business enterprises in "make-or-buy" decisions.

(3) Assure that known minority business enterprises will have an equitable opportunity to compete for subcontracts, particularly by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation of minority business enterprises.

(4) Maintain records showing (i) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of minority business enterprises, (ii) awards to minority business enterprises on the source list, and

(iii) specific efforts to identify and award contracts to minority business enterprises.

(5) Include the Utilization of Minority Business Enterprises clause in subcontracts which offer substantial minority business enterprises subcontracting opportunities.

(6) Cooperate with the contracting officer in any studies and surveys of the contractor's minority business enterprises procedures and practices that the contracting officer may from time to time conduct.

(7) Submit periodic reports of subcontracting to known minority business enterprises with respect to the records referred to in subparagraph (4), above, in such form and manner and at such time (not more often than quarterly) as the contracting officer may prescribe.

(b) The contractor further agrees to insert, in any subcontract hereunder which may exceed \$500,000, provisions which shall conform substantially to the language of this clause, including this paragraph (b), and to notify the contracting officer of the names of such subcontractors.

## CLAUSE IV

### AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS

(This clause is applicable to all contracts, subcontracts, and purchase orders of \$2,500 or more.)

#### PART A

(a) The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship.

(b) The contractor agrees to comply with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, P.L. 93-112, as amended.

(c) In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, P.L. 93-112, as amended.

(d) The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The contractor will notify each labor union or representative of

workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Rehabilitation Act of 1973, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

#### PART B

Within 120 days of the commencement of a non-exempt contract, subcontract, or purchase order of \$50,000 or more, the contractor with 50 or more employees must prepare and maintain an affirmative action program at each establishment setting forth the contractor's policies, practices and procedures relevant to the employment of handicapped employees. The contractor agrees annually to review and update the affirmative action program and communicate all significant changes to employees and applicants for employment. The contractor further agrees to invite all applicants and present employees who feel they are covered by Section 503 of the Rehabilitation Act of 1973 and who wish to benefit under his affirmative action program to identify themselves to the contractor.

# Gulf Oil Products Company

U.S. OPERATIONS

CEDAR BAYOU PLANT

April 24, 1985

P. O. Box 509  
Baytown, TX 77520

Inman Service Compnay, Inc.  
115 N. Main  
Baytown, TX 77520

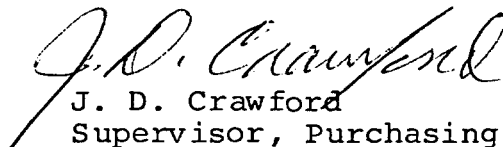
Attn: Jim Countiss

Re: Locomotive Lease No. 168  
Dated 4/25/85

Gentlemen:

As required by paragraph No. 7 of Lease Agreement, Gulf Oil Products Co., Division of Gulf Oil Corporation is self insured.

Sincerely,

  
J. D. Crawford  
Supervisor, Purchasing

JDC:dac



A DIVISION OF GULF OIL CORPORATION

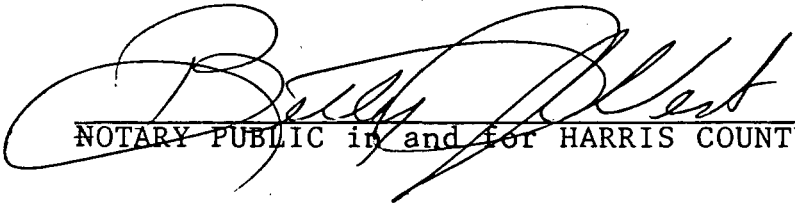
THE STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Vince Inman and R.D. Harrison know to me to be the persons whose name subscribed to the foregoing instrument and acknowledged to me that executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 24th day of  
April A.D. 1985

(L.S.)

  
NOTARY PUBLIC in and for HARRIS COUNTY, TEXAS